

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | JOHN B. LANGAN | JAMES M. MACHADO | ROBERT B. MCCARTHY

## MEMORANDUM

TO: Southbridge Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: November 25, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on August 15 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

JEC/jrl

Enc.



Southbridge Retirement System  
January 1, 2014 Actuarial Valuation

Total Cost increasing 5% through 2033 with final payment in 2034

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERIP</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>Total Cost % Increasing</u>
2015	1,011,741	115,000	2,048,357	92,663	3,267,762	34,464,723	
2016	1,057,270	115,000	2,166,217	92,663	3,431,150	34,850,105	5.00%
2017	1,104,847	115,000	2,290,198	92,663	3,602,708	35,139,534	5.00%
2018	1,154,565	115,000	2,420,615	92,663	3,782,843	35,319,039	5.00%
2019	1,206,520	115,000	2,557,802	92,663	3,971,985	35,373,229	5.00%
2020	1,260,814	115,000	2,794,771		4,170,584	35,285,167	5.00%
2021	1,317,550	115,000	2,946,563		4,379,114	35,036,226	5.00%
2022	1,376,840	115,000	3,106,229		4,598,069	34,605,948	5.00%
2023	1,438,798	115,000	3,274,175		4,827,973	33,971,873	5.00%
2024	1,503,544	115,000	3,450,828		5,069,371	33,109,367	5.00%
2025	1,571,203	115,000	3,636,637		5,322,840	31,991,433	5.00%
2026	1,641,907	115,000	3,832,075		5,588,982	30,588,499	5.00%
2027	1,715,793	115,000	4,037,638		5,868,431	28,868,200	5.00%
2028	1,793,004	115,000	4,253,849		6,161,853	26,795,129	5.00%
2029	1,873,689	115,000	4,481,256		6,469,945	24,330,581	5.00%
2030	1,958,005	115,000	4,720,438		6,793,443	21,432,263	5.00%
2031	2,046,115	115,000	4,971,999		7,133,115	18,053,989	5.00%
2032	2,138,190	115,000	5,236,580		7,489,770	14,145,345	5.00%
2033	2,234,409	115,000	5,514,850		7,864,259	9,651,330	5.00%
2034	2,334,957	115,000	4,554,042		7,004,000	4,511,963	-10.94%
2035	2,440,030	115,000			2,555,030	0	-63.52%

Appropriation payments assumed to be made August 15 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$225,000

FY15 amount maintained at level of current funding schedule